

SENATE RECORD VOTE ANALYSIS

105th Congress
2nd Session

Vote No. 290

September 29, 1998, 10:40 a.m.
Page S-11084 Temp. Record

HIGHER EDUCATION/Conference, Passage

SUBJECT: Conference report to accompany the Higher Education Act Amendments of 1998 . . . H.R. 6. Agreeing to the report.

ACTION: CONFERENCE REPORT AGREED TO, 96-0

SYNOPSIS: The conference report to accompany H.R. 6, the Higher Education Act of 1998, will reauthorize and amend numerous Federal higher education programs. Student loan interest rates will be reduced and the maximum Pell Grant amount will be increased. Details are provided below.

- Federal Family Education Loan Program (FFEL; also called the Guaranteed Student Loan (GSL) Program; for related debate, see vote Nos. 192 and 194). The student loan interest rate will be equivalent to the 91-day Treasury bill (T-bill) plus 1.7 percent while the student is in school. After graduation, the rate will be the 91-day T-bill plus 2.3 percent, with a cap of 8.25 percent. For loan providers, rates will be the 91-day T-bill plus 2.2 percent during the in-school period and plus 2.8 percent during repayment. For PLUS loans, rates will be the 91-day T-bill plus 3.1 percent, capped at 9 percent for borrowers and lenders. The reinsurance amounts will be reduced from 98 percent to 95 percent. Up to \$5,000 in loans may be forgiven for a teacher who teaches in a high-poverty school. A demonstration program will be authorized to provide loan forgiveness for child care providers. Numerous management reforms will be enacted.

- William D. Ford Federal Direct Loan Program. The student loan interest rate will be equivalent to the 91-day T-bill plus 1.7 percent while the student is in school, and plus 2.3 percent thereafter, with a cap of 8.25 percent. The interest rate paid by borrowers under the Federal PLUS Loan Program will be set at the current rate of the 91-day T-bill plus 3.1 percent with an annual cap of 9 percent.

- Loan consolidation and the new rates. The Department of Education will consolidate student loans, which may be a combination of FFEL guaranteed and direct loans, through the Direct Loan Program at the lower rate until February 1, 1999. Borrowers who consolidate loans through the FFEL will be given a rate equal to the weighted average of their loans, rounded up to the nearest eighth

(See other side)

YEAS (96)				NAYS (0)		NOT VOTING (4)	
Republican (53 or 100%)		Democrats (43 or 100%)		Republicans (0 or 0%)	Democrats (0 or 0%)	Republicans (2)	Democrats (2)
Abraham	Hutchinson	Akaka	Johnson			Hagel ⁻²	Hollings ⁻²
Allard	Hutchison	Baucus	Kennedy			Sessions ⁻²	Moseley-Braun ^{-2AY}
Ashcroft	Inhofe	Biden	Kerrey				
Bennett	Jeffords	Bingaman	Kerry				
Bond	Kempthorne	Boxer	Kohl				
Brownback	Kyl	Breaux	Landrieu				
Burns	Lott	Bryan	Lautenberg				
Campbell	Lugar	Bumpers	Leahy				
Chafee	Mack	Byrd	Levin				
Coats	McCain	Cleland	Lieberman				
Cochran	McConnell	Conrad	Mikulski				
Collins	Murkowski	Daschle	Moynihan				
Coverdell	Nickles	Dodd	Murray				
Craig	Roberts	Dorgan	Reed				
D'Amato	Roth	Durbin	Reid				
DeWine	Santorum	Feingold	Robb				
Domenici	Shelby	Feinstein	Rockefeller				
Enzi	Smith, Bob	Ford	Sarbanes				
Faircloth	Smith, Gordon	Glenn	Torricelli				
Frist	Snowe	Graham	Wellstone				
Gorton	Specter	Harkin	Wyden				
Gramm	Stevens	Inouye					
Grams	Thomas						
Grassley	Thompson						
Gregg	Thurmond						
Hatch	Warner						
Helms							

EXPLANATION OF ABSENCE:

1—Official Business
2—Necessarily Absent
3—Illness
4—Other

SYMBOLS:

AY—Announced Yea
AN—Announced Nay
PY—Paired Yea
PN—Paired Nay

and capped at 8.25 percent, and during this 4-month window the annual loan consolidation fee for lenders will be reduced from 1.05 percent to .62 percent. After February 1, 1999, the interest rate for consolidation loans for both programs will be equal to the weighted average of a borrower's loans, rounded up to the nearest eighth and capped at 8.25 percent.

- Offsets for the income loss from interest rate reductions will include limitations on discharging student loan debts in bankruptcy and an increase in the Government National Mortgage Association's guarantee fee (to 9 basis points from 6 points).

- Pell Grants. The maximum Pell Grant amount will be gradually increased; it will reach \$5,800 in academic year 2003-2004. Need criteria will be modified to make it easier for students to work without exceeding income limits for aid.

- \$1 billion for fiscal year (FY) 1999 and such sums as necessary for the next 4 years will be authorized for the Federal Work Study Program.

- \$700 million for FY 1999 and such sums as necessary for the next 4 years will be authorized for the Federal TRIO Programs, which provide early intervention assistance so that students are more likely to pursue postsecondary education.

- \$300 million for FY 1999 and such sums as necessary for the next 4 years will be authorized for Teacher Quality Enhancement Grants. This new grant program will consolidate more than a dozen existing teacher preparation programs. Those grants will be given to improve the quality of the current and future teaching force, including by encouraging States to require secondary school teachers to have academic majors. States will be required to identify programs that perform poorly. (For related debate, see vote No. 193).

- \$200 million for FY 1999 and such sums as necessary for the next 4 years will be authorized for the Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR UP) initiative, which is a new program that will merge the House's proposed "High Hopes for College" program with the National Early Intervention Scholarship and Partnership Program. GEAR UP will give grants to States and to academic-"community entity" partnerships (community entities will include charities, businesses, government agencies, and educational institutions) to provide early intervention and college awareness for eligible low-income students who are likely to drop out of school.

- Other programs that will be reauthorized, reformed, and expanded include the following: the Federal Perkins Loan Program (which provides aid to students with exceptional financial needs); the Supplemental Education Opportunity Grants (SEOG) Program (which provides need-based grant assistance to students preparing for post-secondary education); and the Robert C. Byrd Honors Scholarship Program (the authorization for FY 1999 will be increased to \$45 million).

- Programs for historically black colleges, universities, and professional or graduate students will be reauthorized, and new programs will be authorized for Hispanics and Native American students.

- a new program, the Leveraging Educational Assistance Partnership Program, which will use Federal funds to leverage greater State higher education assistance, will be authorized.

- the Child Care Access Means Parents in School (CAMPUS) Program, which will pay for campus-based child care at postsecondary institutions, will be authorized.

- Numerous obsolete, small programs will be terminated, and a Performance Based Organization will be created within the Department of Education to improve its management of programs.

- a study will be done of the role of education in moving people from welfare to work (for related debate, see vote No. 195).

- Reporting requirements on campus crimes will be strengthened and expanded to include arson and hate crimes.

- Nothing in this bill will be construed to prohibit a postsecondary institution from disclosing, to a parent of a student who is under the age of 21, information regarding violation of any Federal, State, or local laws governing the use or possession of alcohol or drugs by that student, whether or not that information is contained in that student's education records.

- Federal grant and loan eligibility will be suspended for students convicted of possessing or selling controlled substances.

- It is the sense of Congress that Congress should support and encourage character building initiatives in schools across America and urge colleges and universities to affirm that the development of character is one of the primary goals of higher education.

- Information will be collected and published on the percentage of candidates who pass assessments for elementary and secondary teaching certificates and licenses; that information will be disaggregated by the schools those candidates attended.

Those favoring passage of the conference report contended:

This comprehensive higher education reauthorization and reform bill has several notable features. For instance, it will consolidate programs, it will increase State and private flexibility in program administration, it will focus resources on teacher training efforts that work, it will lower interest rates for students, and it will make aid more widely available. The effects of this bill will be huge and positive. Over the next 10 years, the Federal Government will guarantee over 88 million student loans totaling over \$383.5 billion. Additionally, it will give more than 25.4 million Pell Grants. America's higher education system is the envy of the world. This bill will help keep it that way. We are very pleased to have the opportunity to vote in favor of passage.

No arguments were expressed in opposition to passage.